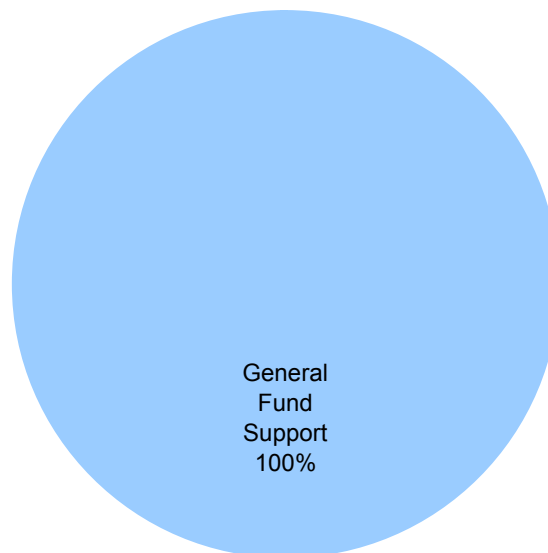


**PURPOSE**

To continuously improve the quality and effectiveness of services provided to the public through organizational reviews and staff training.

	2003-04	2004-05	2005-06	2005-06	2005-06
<u>Financial Summary</u>	<u>Actual</u>	<u>Actual</u>	<u>Requested</u>	<u>Recommended</u>	<u>Adopted</u>
Revenues	\$ 393,268	\$ 261,451	\$ 200,000	\$ 200,000	\$ 200,000
Fund Balance Available	\$ 58,837	\$ 174,043	\$ 224,043	\$ 224,043	\$ 271,865
Cancelled Reserves	39,189	150,000	100,000	100,000	100,000
Total Financing Sources	<u>\$ 491,294</u>	<u>\$ 585,494</u>	<u>\$ 524,043</u>	<u>\$ 524,043</u>	<u>\$ 571,865</u>
Salary and Benefits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Services and Supplies	339,629	303,672	450,000	450,000	450,000
Other Charges	0	0	0	0	0
Fixed Assets	0	0	0	0	0
Gross Expenditures	\$ 339,629	\$ 303,672	\$ 450,000	\$ 450,000	\$ 450,000
Contingencies	0	0	74,043	74,043	74,043
New Reserves	0	0	0	0	47,822
Total Financing Requirements	\$ 339,629	\$ 303,672	\$ 524,043	\$ 524,043	\$ 571,865

**Source of Funds**

**SERVICE PROGRAMS****Organizational Effectiveness and Countywide Training**

Provides funding to conduct organizational assessments, and countywide training programs. Staff for this program is included in Fund Center 104 - Administrative Office.

Total Expenditures: \$450,000 Total Staffing (FTE): 0.0

**COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS**

FY 2004-05 marked the fourth year of the Organizational Effectiveness program, which was established in FY 2001-02 to fund programs designed to continuously improve the County's performance. This program is multi-dimensional and includes: employee development through the Employee University (EU), organizational performance analysis and consulting for individual departments, strategic planning, and conducting surveys of employees as well as county residents to develop baseline data and measure progress over time.

**Employee University**

In FY 2004-05, significant emphasis was placed on enhancing the Employee University to address organizational and employee needs. Several new courses were offered to employees at all levels of the organization to meet development needs identified in the Training Needs Assessment (conducted in the Fall 2002). These new courses included: conflict resolution, stress management, change management, teambuilding/teamwork, writing skills, presentation skills, and career planning (to improve alignment with individual's interests and passions). The EU also continued to offer courses that were previously introduced such as 7 Habits of Highly Effective People, Four Roles of Leadership, Continuous Process Improvement, and Project Management. As of May 2005, we have delivered 29 classes to 643 course participants in FY 2004-05.

Our County is one of a few organizations that implements a methodology to demonstrate the results of the training programs we offer. The outcome of the evaluation studies we have completed to date can be found in the goals and performance measures for this budget. This approach includes quantifying the results achieved from applying concepts, skills and knowledge taught in the class, on the job. This is a new concept and we are fine-tuning the approach as we learn. The annual efficiency savings projected by class participants are estimates and are not being tracked. We will be looking at ways to capture data on actual efficiency gains achieved based on on-the-job application over the next year.

Another critical effort underway for EU staff is development of a customized supervision and management course called High Performance Management, designed to enhance the skills of supervisors to:

- clarify the mission and goals of the department,
- communicate performance expectations to staff (and identify how each employee contributes to the department's overall goals),
- provide effective performance feedback, and
- hold employees accountable.

This customized course is the result of the feedback we received from the 94 supervisors that attended the pilot Supervisory Academy in FY 2003/04 (in which we offered off-the-shelf supervisory curriculum that was not sufficiently aligned with the County's internal systems and processes.) This new program has been piloted with three internal service departments and will be rolled out to the rest of the departments beginning in September 2005. We expect this program to be instrumental in shifting the county culture toward a high performance organization focused on delivering results and being accountable to the public we serve.

**Organizational Effectiveness Consulting to Departments**

Since the Fall of 2001, the County has implemented a framework to examine how well our internal processes and systems are designed to deliver the results our customers are seeking. This framework helps departments identify opportunities to refine systems, processes and structures that offer the greatest potential for improved performance. As of May 2005, the following departments have utilized this framework in an effort to improve overall organizational performance: Drug and Alcohol Services, Planning and Building, Clerk-Recorder, Assessor, Administrative Office, and Department of Social Services. Results achieved to date can be found in the goals and performance measures for this department.

**Internal and External Customer Surveys**

In August 2004 the County administered a survey to all permanent County employees. Our purpose in conducting this survey was to find out how well we, as an employer, are creating conditions that allow our employees to deliver the results that our customers are seeking. Included were questions to determine how well employees know the goals and performance measures of their department and how they individually contribute to achieving these, how effectively their department's managers communicate performance expectations, provide feedback and hold employees accountable, and how valued employees feel by the organization. A second purpose for the survey was to establish a baseline from which we can measure our progress in continually improving our performance. More than 1,540 permanent County employees completed the survey (a 61% response rate.) Overall the results were positive, with 81% of responding employees indicating that they are satisfied with their job. There are, of course, areas where we can do better and we will be designing and implementing various strategies to improve our performance in these areas.

The County administered a Citizen's Opinion Survey in the Spring of 2003 and plans to administer a follow-up survey in the spring of 2006. This will provide us data on progress we have made in providing valued services to the public as well as identify areas where we should focus future organizational effectiveness efforts.

The recommended budget remains at the current year level of \$450,000, which includes \$200,000 in cancelled reserves to maintain existing resources and program levels.

**BOARD ADOPTED CHANGES**

None.

**GOALS AND PERFORMANCE MEASURES**

<b>Department Goal:</b> To ensure that training opportunities aimed at creating a competent, results oriented workforce are made available to County employees.						
<b>Communitywide Result Link:</b> A well-governed community.						
<b>1. Performance Measure: Overall average participant satisfaction rating (on a 5 point scale) of training programs offered by the Employee University.</b>						
00-01 Actual Results	01-02 Actual Results	02-03 Actual Results	03-04 Actual Results	04-05 Adopted	04-05 Actual Results	05-06 Target
New Measure	New Measure	New Measure	New Measure	3.5	4.4	4.5
<b>What:</b> Provides data on participant overall satisfaction with Employee University training courses (on a scale of 1-5 with 1 = "poor" and 5 = "outstanding"). This is the first level of program evaluation. We will evaluate 100% of the training courses offered by the Employee University at this level						
<b>Why:</b> This data provides information on how satisfied participants are with the training programs offered by the Employee University.						
<b>How are we doing?</b> The average overall participant satisfaction rating for all 35 classes delivered by the Employee University was 4.4. This indicates that, overall, County employees who participated in these classes are highly satisfied with the class(es) they attended. The Employee University will strive to retain this high level of participant satisfaction in FY 2005/06.						

2. Performance Measure: Percent gain in knowledge as a result of attending Employee University training courses.						
00-01 Actual Results	01-02 Actual Results	02-03 Actual Results	03-04 Actual Results	04-05 Adopted	04-05 Actual Results	05-06 Target
New Measure	New Measure	New Measure	New Measure	25%	26%	25%
<p><b>What:</b> Provides data on the percent of knowledge gained, on average, by the training program participants (based on a comparison of pre and post test scores). This is the second level of program impact evaluation. At this time we intend to evaluate 100% of the training courses offered by the Employee University at this level.</p> <p><b>Why:</b> This data provides additional information on the value of the training programs offered by the Employee University (in terms of knowledge gain). This data will be used by course facilitators and EU staff to determine how well participants are learning the concepts, skills and tools being taught, and make adjustments accordingly to improve the overall results.</p> <p><b>How are we doing?</b> The average gain in knowledge for all 35 classes delivered by the Employee University in FY 2004/05 was 26%. Courses showing the greatest gain in knowledge included: Presentation Advantage, Writing Advantage and Stress Management. Courses showing the least gain in knowledge included: Continuous Process Improvement, Achieving Life Balance and Communication/Conflict Resolution. For these programs showing the lowest gain in knowledge, the EU staff will be evaluating the assessment tools and approach used, the material taught, and training methods used to ensure alignment, and will find solutions to improve results for these courses in terms of knowledge gain.</p>						
3. Performance Measure: Percent increase in skill/knowledge level following application of concepts and tools taught in EU courses, on the job.						
00-01 Actual Results	01-02 Actual Results	02-03 Actual Results	03-04 Actual Results	04-05 Adopted	04-05 Actual Results	05-06 Target
New Measure	New Measure	New Measure	New Measure	20%	45%	25%
<p><b>What:</b> Provides data on the increase in skill level based on application of new concepts, knowledge and tools gained in the training. This is the third level of program impact evaluation. At this time we intend to evaluate new or significantly re-designed training courses offered by the Employee University at this level, as appropriate.</p> <p><b>Why:</b> This data provides additional information on the value of the training programs offered by the Employee University (in terms of behavior change on the job). The County will realize desired benefits from offering these training courses when participants apply and practice the concepts, skills and tools back on the job. The purpose of this measure to gauge the actual impact this application has on improving participants' skill level in their work.</p> <p><b>How are we doing?</b> Participants in the Supervisory Academy were asked to rate their skill/knowledge level across several different competency areas. They completed this self-assessment at the beginning of the Supervisory Academy, at the end of the Academy and then 6 months after the Academy was completed. Over this 11-month period of time, there was a 45% increase in participants (on average) who rated themselves at either 4 or 5 on a 5-point scale (with 1 = low skill level and 5 = high skill level). Areas showing the greatest increase in skill level include creating a clear vision and mission for employees, effectively leading employees through change and managing change, and planning and providing effective feedback to staff and team members. In these cases, over half of the participants rated themselves at a 4 or 5 level. The target for FY 2005-06 is set based on new methodology and a different mix of courses being offered. Note: No new data is available at this time. EU staff are developing new data collection tools for courses being delivered by the Employee University in 2005/06.</p>						

**4. Performance Measure: Return on investment (ROI) projected from Employee University Training**

00-01 Actual Results	01-02 Actual Results	02-03 Actual Results	03-04 Actual Results	04-05 Adopted	04-05 Actual Results	05-06 Target
New Measure	New Measure	New Measure	New Measure	New Measure	39.75% (average)	50%
<p><b>What:</b> Provides information on the projected return the County will receive for its investment in Employee University Training programs. Participants of selected training programs implement an action plan to apply new skills, tools and knowledge learned in the course. They then report the expected results their action plan will have on their organization's performance (in terms of improved timeliness in delivering service, improved quality of service, improved customer satisfaction, and/or improved cost-efficiency). Tangible benefits that have been converted to annual dollar benefits are included in the calculation, and intangible benefits that are difficult to quantify are reported separately. It is important to note that conducting impact evaluation to this level is labor intensive and will be done only on training programs implemented by the Employee University that are highly visible and/or of relatively significant cost. We plan to evaluate all other EU training course to (application of concepts and tools taught in the class, on the job) Level 3.</p> <p><b>Why:</b> This data provides additional information on the value of the training programs offered by the Employee University (in terms of financial benefit). The County's intent for providing training programs through the Employee University is to enhance employee skills and knowledge so that they are able to improve their overall performance in terms of improved quality and timeliness of service, improved customer satisfaction, and/or improved cost-efficiency. The purpose of this measure is to report the actual or expected organizational benefits that result from participants applying and practicing the concepts, skills and tools taught in the training program, on the job.</p> <p><b>How are we doing?</b> Since reporting to the Board a 45% ROI achieved for the Supervisory Academy, one more course have been evaluated to this level; the Continuous Process Improvement course held in September and October 2004. This is a 3-day course held over a period over a period of 5 weeks, with two weeks between each 1-day session to allow participants to complete assignments. The course teaches participants a relatively complex methodology for selecting, evaluating and refining work processes. A total of 16 participants in 5 teams completed this course. All teams participating in this course are expected to complete and submit an Action Plan identifying the process they are improving, the action steps required and the projected benefits (in measurable terms). After 6 months, the teams then report the results they achieved. We received completed Action plan reports from 3 of the 5 teams. They reported a total first year benefit of \$20,449. The total cost to deliver this course (including the cost of the time spent by participants in the class) was \$32,160. The calculated return on our investment for this course was -36.41%. The Employee University is currently looking at ways to increase the follow-through rate of training participants in completing Action Plans and reporting results achieved, in this and other classes we are evaluating. This should increase the benefits gained from offering these training programs. We are also planning to bring the instruction of the Continuous Process Improvement course "in house" – it is currently taught by Richard Change and Associates. This should reduce the cost to deliver this course.</p> <p>The ROI reported above reflects a combination of the total program benefits gained and the total costs incurred for the supervisory Academy and the Continuous Process Improvement training programs.</p>						

**5. Performance Measure: Average return on investment (ROI) projected from Departments that have utilized the Organizational Effectiveness cycle process to improve performance**

00-01 Actual Results	01-02 Actual Results	02-03 Actual Results	03-04 Actual Results	04-05 Adopted	04-05 Actual Results	05-06 Target
New Measure	New Measure	New Measure	New Measure	New Measure	50.65%	100%
<p><b>What:</b> Provides information on the projected return the County will receive for its investment in the Organizational Effectiveness (OE) Cycle process, after two years of action plan implementation. Participating department design and implement action plans to address performance improvement opportunities identified in the OE cycle process. Often, tangible results are not realized until 18-24 months after the action plans have been initiated. Departments identify the expected results their action plans will have on their organization's performance (in terms of improved timeliness in delivering service, improved quality of service, improved customer satisfaction, and/or improved cost-efficiency). Tangible benefits that have been converted to annual dollar benefits are included in the calculation, and intangible benefits that are difficult to quantify are reported separately.</p> <p><b>Why:</b> The County's intent for utilizing the OE Cycle process is to help departments overcome barriers to continuous improvement and enhance their overall performance in terms of improved quality and timeliness of service, improved customer satisfaction, and/or improved cost-efficiency. The purpose of this measure is to report the actual or expected organizational benefits that result for the OE cycle process.</p> <p><b>How are we doing?</b> As of the end of the fiscal year, six departments have used the OE cycle process: Drug and Alcohol Services was the pilot department who began this process in November 2001, Planning and Building (beginning October 2002), the Clerk Recorder (beginning in July 2003), the Assessor (beginning in September 2003), the Administrative Office (beginning in October 2003) and the Department of Social Services (beginning in April 2005). The total cost for these OE projects is approximately \$154,400. Program benefits reported to date total \$232,600 as detailed below:</p> <ul style="list-style-type: none"> <li>Key results from Drug and Alcohol Services include a 184% increase in fees collected (compared to FY 01-02) due to improving the fee-collection process, and automation and streamlining of critical financial processes (coupled with a reorganization of the Finance division), eliminating the need for 3 positions with a total cost of \$213,000. These results have enabled the department to better weather the recent budget constraints they have faced.</li> <li>Key results from the Planning Department include a 200 hour/year reduction (or \$13,600) in staff time spent on the public hearing noticing process, and approximately \$6,000 in staff time saved in producing and mailing copies of Board and Planning Commission staff reports, agendas and minutes. (These documents are now posted on the web, allowing easier access to the public). Also, the department has improved communications with the public by cable casting the Planning Commission Meetings.</li> </ul> <p>This provides a positive return on investment of 50.65%. No tangible results have been reported by the Administrative Office, the Assessor the Clerk Recorder or Department of Social Services at this time. These departments should have tangible results to report in the FY 2006/07 budget.</p>						